2. The term of this Agreement is:

START DATE
January 1, 2020

THROUGH END DATE
June 30, 2020

3. The maximum amount of this Agreement is:
$1,700,000.00 (One Million and Seven Hundred Thousand Dollars and No Cents)

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

<table>
<thead>
<tr>
<th>Exhibits</th>
<th>Title</th>
<th>Pages</th>
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<tbody>
<tr>
<td>Exhibit A</td>
<td>Scope of Work</td>
<td>2</td>
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<tr>
<td>Exhibit B</td>
<td>Budget Detail and Payment Provisions</td>
<td>1</td>
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<tr>
<td>Exhibit C*</td>
<td>General Terms and Conditions 04/2017</td>
<td>Online</td>
</tr>
<tr>
<td>Exhibit D</td>
<td>Special Terms and Conditions</td>
<td>1</td>
</tr>
</tbody>
</table>

Items shown with an asterisk (*) are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at [https://www.dgs.ca.gov/DLS/Resources](https://www.dgs.ca.gov/DLS/Resources)

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)
Western Climate Initiative, Inc.

CONTRACTOR BUSINESS ADDRESS
980 9th Street, Suite 1600

PRINTED NAME OF PERSON SIGNING
Greg Tamblyn

CONTRACTOR AUTHORIZED SIGNATURE

[Signature on file]

DATE SIGNED
02/05/2020

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME
California Air Resources Board

CONTRACTING AGENCY ADDRESS
1001 I Street, 19th Floor

PRINTED NAME OF PERSON SIGNING
Edie Chang

CONTRACTING AGENCY AUTHORIZED SIGNATURE

[Signature on file]

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (if Applicable)
DGS memo dated 5/6/10
EXHIBIT A
SCOPE OF WORK

1. Background

Assembly Bill (AB) 32, The Global Warming Solutions Action of 2006, charges the California Air Resources Board (CARB) with designing emission reduction measures to meet statewide emission limits for greenhouse gases (GHG). AB 32 directed CARB to design and implement measures that achieve real, quantifiable, cost-effective reductions of GHG emissions to return California to 1990 emissions levels by 2020. CARB was authorized to consider using market-based compliance mechanisms, such as a cap-and-trade program, to achieve the necessary emission reductions. Additional information on AB 32 and the CARB climate change program is available at: http://www.arb.ca.gov/cc/cc.htm.

Western Climate Initiative, Inc. (WCI, Inc. or Contractor) was formed as a nonprofit organization to provide coordinated administrative and technical support to California and other states and provinces implementing emissions trading programs to reduce GHG emissions. By coordinating support across jurisdictions, WCI, Inc. enables cap-and-trade programs to be administered at a lower cost than would be possible with independent administration by each jurisdiction. Coordinated administrative support ensures that all the programs maintain the highest level of security, enhances market oversight, reducing the potential for fraud and malfeasance, and provides a framework that can be expanded as more jurisdictions implement their respective programs.

As a participating jurisdiction, and as required in Senate Bill 1018 (California Government Code Section 12894), California holds two (2) voting positions and two (2) nonvoting positions on the WCI, Inc. Board of Directors. Québec, British Columbia, and Nova Scotia are also participating jurisdictions (more information regarding the WCI, Inc. Board of Directors and bylaws is available at: http://www.wci-inc.org/). The funding contributions to WCI, Inc. differ among jurisdictions based upon covered GHG emissions in each jurisdiction.

2. Scope of Work

WCI, Inc. agrees to provide CARB with participation in WCI, Inc. with access to administrative systems being developed and administered to support the implementation of state and provincial GHG trading programs. CARB will be provided access to administrative systems including development and administration of Cap-and-Trade Compliance Instrument Tracking System Service (CITSS); administration of a CITSS help desk; development and administration of an allowance auction platform; coordinated auction financial administration; and analyses supporting market monitoring performed by each jurisdiction of allowance auctions and allowance and offset credit trading.
3. Contract Representatives

The Project Managers during the term of this Agreement shall be:

<table>
<thead>
<tr>
<th>State Agency:</th>
<th>Contractor:</th>
</tr>
</thead>
<tbody>
<tr>
<td>California Air Resources Board</td>
<td>Western Climate Initiative, Inc.</td>
</tr>
<tr>
<td>Name: Rajmir Rai</td>
<td>Name: Greg Tamblyn</td>
</tr>
<tr>
<td>Address: 1001 I Street, Sacramento, CA 95814</td>
<td>Address: 980 Ninth Street, Suite 1600, Sacramento, CA 95814</td>
</tr>
<tr>
<td>Phone: (916) 327-5614</td>
<td>Phone: (916) 449-9966</td>
</tr>
<tr>
<td>Email: <a href="mailto:rajmir.rai@arb.ca.gov">rajmir.rai@arb.ca.gov</a></td>
<td>Email: <a href="mailto:gtamblyn@wci-inc.org">gtamblyn@wci-inc.org</a></td>
</tr>
</tbody>
</table>

The parties may change their Contract Representative(s) upon providing ten (10) days written notice to the other party’s Contract Representative(s). The notifying party shall provide complete contact information for the replacement Contract Representative(s) to include the information provided.
EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

A. Upon receipt and approval of the itemized invoice(s), the State agrees to compensate the Contractor as follows: One (1) payment of $425,000.00 at the commencement of the term and Two (2) quarterly payments in arrears in the amount of $637,500.00 per quarter for participant dues on behalf of CARB.

B. Contractor shall submit one (1) original and one (1) copy of each invoice. Invoice(s) must include the Agreement Number and shall be submitted not more frequently than quarterly to:

California Air Resources Board
Accounting Section
P.O. Box 1436
Sacramento, CA 95812

C. Government Code Section 12894(c) requires CARB to provide 30-day notice to the Joint Legislative Budget Committee prior to any funds over $150,000.00 being provided to WCI, Inc. from CARB.

2. Budget Contingency Clause

A. It is mutually agreed that if the Budget Act of the current year does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement. The State will promptly notify Contractor if the Budget Act does not appropriate sufficient funds for the program.

B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.
EXHIBIT D
SPECIAL TERMS AND CONDITIONS

1. Termination

This Agreement may be canceled at any time by either party, upon thirty (30) days written notice to the other party.

2. Disputes

A. CARB reserves the right to issue an order to stop work in the event that a dispute should arise, or in the event that CARB gives the Contractor a notice that this Agreement will be terminated. The stop work order will be in effect until the dispute has been resolved or this Agreement has been terminated.

B. Any dispute concerning a question of fact arising under the terms of this Agreement which is not disposed of within a reasonable period of time by agency and Contractor employees normally responsible for the administration of this agreement, shall be brought to the attention of the Executive Officer or designated representative of each party for joint resolution.

3. Amendments

A. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties, and approved as required. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.

B. CARB reserves the right to amend this Agreement through a formal written amendment, signed by the parties, for additional time and/or funding.

4. Stop Work Order

State reserves the right to issue an order to stop work in the event that a dispute should arise, or in the event that State gives Contractor a notice that the Agreement will be terminated. The stop work order will be in effect until the dispute has been resolved or the Agreement has been terminated.